

APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office JUN 7 1988

Returned to applicant for correction

Corrected application filed

Map filed JUN 7 1988

The applicant ATLAS GOLD MINING, INC.

743 Horizon Court #202

Street and No. or P.O. Box No.

Colorado 81506

State and Zip Code No.

Grand Junction

City or Town

hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.)

Incorporated in the State of Nevada on April 9, 1986.

1. The source of the proposed appropriation is underground
Name of stream, lake, spring, underground or other source

2. The amount of water applied for is 1.0 cfs second-feet
One second-foot equals 448.83 gals. per min.

(a) If stored in reservoir give number of acre-feet

3. The water to be used for mining, milling and domestic
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.

4. If use is for:

(a) Irrigation, state number of acres to be irrigated

(b) Stockwater, state number and kinds of animals to be watered

(c) Other use (describe fully under "No. 12. Remarks")

(d) Power:

(1) Horsepower developed

(2) Point of return of water to stream

5. The water is to be diverted from its source at the following point within the NE 1/4 SE 1/4 Section 28
Describe as being within a 40-acre subdivision of public

T.22N., R.49E., M.D.B.&M., at a point from which the SE corner Section 22, T.22N.,
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.

R.49E., M.D.B.&M. bears North 59°59'54" East a distance of 7396.67 feet.

6. Place of use within Sections 22, 23, 26, 27, NE 1/4 SE 1/4 Section 28 and Section 34
Describe by legal subdivision. If on unsurveyed land, it should be so stated.

T. 22N., R.49E., M.D.B.&M.

7. Use will begin about January 1 and end about December 31, of each year.
Month and Day Month and Day

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Drilled and cased well, submersible pump.
State manner in which water is to be diverted, i.e. diversion structure, ditches and
electric motor and distribution system.
flumes, drilled well with pump and motor, etc.

9. Estimated cost of works \$50,000

10. Estimated time required to construct works Two years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use Five years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Water from this source will be commingled with water from other wells owned by permittee and which will serve the mining properties. Annual consumption is set forth on the attached letter, which letter was supplied to the State Engineer on April 26, 1988. See attached letter for total annual water consumption.

s/Ross E. de Lipkau
By Ross E. de Lipkau
P. O. Box 2790
Reno, Nv 89505

Compared pm/ kh pm/se

Protested

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:
This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water place to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.
This Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.
No perforations shall be put in the production casing from ground level to 100 feet.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.0 cubic feet per second, but not to exceed 235.906 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before June 27, 1989
Proof of completion of work shall be filed on or before July 27, 1989
Application of water to beneficial use shall be made on or before June 27, 1990
Proof of the application of water to beneficial use shall be filed on or before July 27, 1990
Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed IN TESTIMONY WHEREOF, I PETER G. MORROS
State Engineer of Nevada, have herunto set my hand and the seal of my
Proof of beneficial use filed office, this 25th day of October,
Cultural map filed A.D. 19 88
Certificate No. Issued

Peter G. Morros
State Engineer

Abrogated by 60285 1.0

(PERMIT TERMS CONTINUED)

The total combined duty of water under Permits 48444, 49162, 51918, 51919, 52196 and 52197 shall not exceed 396.8 million gallons annually.

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

